

Section 41-1-60Section 41-1-60

Acceptance of credit card payment.

(a) Notwithstanding any other provision of law to the contrary, any officer or unit of state government required or authorized to receive or collect any payments to state government may accept a credit card payment of the amount that is due. This section shall only apply to departments, agencies, boards, bureaus, commissions, and authorities which are units of state government, and shall not apply to any departments, agencies, boards, bureaus, commissions, or authorities which are units of county or municipal government and come under the provisions of Chapter 103 of Title 11.

(b) This section shall be broadly construed to authorize acceptance of credit card payments by:

(1) All departments, agencies, boards, bureaus, commissions, authorities, and other units of state government.

(2) All officers, officials, employees, and agents of the state and units of state government.

(c) This section shall be broadly construed to authorize acceptance of credit card payments of all types of amounts payable, including, but not limited to, taxes, license and registration fees, fines, and penalties. For purposes of this section, the term "credit card" shall include credit cards, charge cards, and debit cards issued by any bank, foreign lender, domestic lender, or credit card bank as defined in Section 5-20-3.

(d) The decision of whether to accept credit card payments for any type of payment shall be made by the officer or board or other body having general discretionary authority over the manner of acceptance of payments. If credit card payments are to be accepted, the officer or board or other body shall adopt reasonable policies, rules, or regulations not in conflict with this section governing the manner of acceptance of credit card payments. Notwithstanding the foregoing, no credit card payment shall be accepted for any state taxes without approval by the Alabama Department of Revenue. The officer or board or other body having general discretionary authority over the manner of acceptance of payments may enter into appropriate agreements with credit card issuers or other appropriate parties as needed to facilitate the acceptance of credit card payments. Without limiting the generality of the foregoing, the agreements may provide for the receipt of credit card payments at a discount from their face amount or the payment or withholding of administrative fees from the face amount of the payments. The officer, board, or other body having general discretionary authority over the manner of receipt of payments may make any payment of discount or administrative fees by paying an invoice or allowing withholding of discounts or administrative fees from the face amount of the credit card payments. The discount or administrative fees may be authorized when the officer or board or other body determines that any reduction of revenue resulting from the discount or administrative fees will be in the best interest of state government. Factors which may be considered in making that determination may include, but are not limited to, improved governmental cash flow, reduction of governmental overhead, improved governmental financial security, or a

combination of one or more of the foregoing together with the benefit of increased public convenience. Any agreement shall provide that it may be canceled at any time by the affected officer or unit of state government, but the agreement shall provide for a reasonable period of notice for cancellation.

(e) An officer or board or other body authorizing acceptance of credit card payments may impose a surcharge or convenience fee upon the person making a payment by credit card to wholly or partially offset, but not to exceed the amount of any discount or administrative fees charged to state government. The surcharge or convenience fee shall be applied only when allowed by the operating rules and regulations of the credit card involved. When a party elects to make a payment to state government by credit card and a surcharge or convenience fee is imposed, the payment of the surcharge or convenience fee shall be deemed voluntary by the party and shall not be refundable.

(f) No person making any payment by credit card to the state government shall be relieved from liability for the underlying obligation except to the extent that the state government realizes final payment of the underlying obligation in cash or the equivalent. If final payment is not made by the credit card issuer or other guarantor of payment in the credit card transaction, then the underlying obligation shall survive and the state government shall retain all remedies for enforcement which would have applied if the credit card transaction had not occurred. No contract may modify the provisions of this subsection. This subsection shall not make the underlying obligor liable for any discount or administrative fees paid to a credit card issuer or other party by state government.

(g) A state government officer or employee who accepts a credit card payment in accordance with this section and any applicable policies, rules, or regulations of state government shall not thereby incur any personal liability for the final collection of such payments.

(Act 2000-314, &sect; 6.)